The A. F. of L. Weekly News Service gives news agencies and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and political fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

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WE PLEDGE— 1 MILLION DOLLARS IN WAR SAVINGS BONDS FOR VICTORY

WHOLE NO. 1677 WILLIAM GREEN, President WASHINGTON, D. C., WEDNESDAY, JUNE 2, 1943 GEORGE MEANY, Secretary-Treasurer VOL. 33, NO. 22

FACING *the* FACTS
With PHILIP PEARL

No more important piece of legislation ever was offered in Congress than the new Wagner-Dingell Social Security Amendments which incorporate the objectives of the American Federation of Labor and leaders of public life, regardless of political affiliations.

This bill is dynamite—dynamite which will explode in the face of any selfish, petty or reactionary group or individual who dares to oppose it.

We say this under the assumption that every intelligent American citizen wants a national insurance system that will put an end to destitution in our country, guard the health and safety of our people and compensate the boys now serving in our armed forces for physical injuries and post-war unemployment.

These are some of the major objectives of the Wagner-Dingell Bill, a measure which does not repre.ent somebody's sudden bright idea but is the result of five years of the most careful study by experts on the staff of the American Federation of Labor and the Social Security Board.

The Lineup In Favor

Who are the people who favor this bill? Every worker who dreads the loss of his job at any time in the future and fears the onset of old age for which he has been able to make no ample provision.

Every mother who has been forced to count pennies before deciding whether she can afford to send for a doctor to administer to her sick child will support this bill because it provides health insurance and hospitalization care for all members of the family.

Millions of agricultural workers, domestic servants and self-employed persons who are not now covered by any phase of social security will fight for this bill because for the first time it provides protection for them as well as all other American citizens.

Working women who can't afford to have children now because of the medical costs and loss of income will appreciate the maternity insurance provided in the Wagner-Dingell Bill.

Every American soldier, sailor and marine who is risking his life against the enemy will want this bill passed. It obligates our country to provide compensation for unemployed ex-soldiers after the war and to pay disability insurance to those who have been injured. The families of these boys, troubled by the failure of our Government to take any steps in their behalf, also will demand favorable action on this bill.

We've all heard about the "Beveridge Plan" in England. This Wagner-Dingell Bill is an American "Beveridge Plan." As President Green said, coupled with a program for post-war expansion of industry to provide jobs for all in peacetime, it will carry out the pledge of the President of the United States to end the fear of want for all time in America.

Behold The Opposition

Now let's see who may oppose this bill. It may be expected that political interests which seek to preserve patronage systems under the present Social Federal unemployment compensation system may object to being deprived of the gravy under the new bill which creates a single, unified and national insurance system.

Then, it may be possible that a few mossbacks in the medical profession, who oppose socialized medicine regardless of the benefits to the people as a whole, may start protesting even though the bill protects the individual's choice of physician and seeks to uplift the standards of medical treatment.

Who else? Perhaps a few reactionary groups may set up a howl against higher taxes. But the bill does not increase the tax on employers. They will have to pay 6 per cent on payrolls. Under the present law they would have to do that by 1949 anyway. The bill does double the tax on workers by bringing it up to 6 per cent of weekly wages, but we doubt if any worker will be heard to complain. The benefits provided by the bill are so great as to make the cost cheap to every worker and employer.

So we expect that the Wagner-Dingell Bill will become law—eventually. It would be too optimistic to expect its immediate enactment. We are probably will have to be an interval for public education as to the provisions of the bill before we can get the ball rolling.

To that end, we propose to devote the space usually occupied by this column in the next 13 weeks to a series of articles by the Social Security Committee of the AFL explaining the important and beneficial features of the Wagner-Dingell Bill. We urge all labor publications to print these articles. At the same time we appeal to all labor organizations in the country to mobilize their entire political strength in support of the Wagner-Dingell Bill.

Is The Third Internationale Out?

Vice President Woll Gives Expert Views On Moscow Action

New York City—The "New Leader" asked AFL Vice President Matthew Woll to answer the three following questions pertaining to the announcement of the dissolution of the Comintern:

1—Do you think this is a sincere action?

2—What do you think is the motive behind it?

3—What do you think is the motive behind it?

Mr. Woll's responses follow:

1. The sincerity of the action taken in Moscow, dissolving the Communist Internationale could be easily demonstrated by those responsible. It could be demonstrated by the dissolution of the various Communist parties affiliated with the Comintern, the suspension of their press and the dissolution of their many varied "fronts." All this occurs, organized labor in all countries, which has suffered so much from Communist intrigue and conspiracy, is not likely to be impressed.

2. The dissolution of the Comintern will be without practical effect unless the course indicated in my answer to your first question is followed. As a matter of fact the Comintern had long been moribund. It had not met since 1935 and before that its last meeting was in 1928. The work of the Comintern has been conducted in the past ten years and more by the foreign division of the GPU, acting through its resident agents abroad and upon the commissars over the respective Communist parties. The apparatus remains in being. Therefore nothing has been changed. Any real change could come only by the dismantling of this apparatus and the abolition of all communist organizations and activities abroad. Although becoming "independent" in accordance with the proclamation dissolving the Comintern, the Communist parties will come nevertheless, to follow even more closely the directives of Moscow under their new cloak of national respectability. The Communist Party of the United States formally disaffiliated from the Comintern in 1940, but will anyone contend that it has not followed as it did before the Moscow line? There is no reason to believe it will not do so in the future.

3. The motive behind the dissolution of the Comintern is to give us the shadow while Moscow retains the substance. Because of its malodorous reputation the Comintern had long ceased to be an asset to Moscow and to International Communism. It had become definitely a liability. Hence, its dissolution, while the apparatus of International Communist propaganda and action is retained, is intended to be a reverse to your second question.

The dissolution of the Comintern is therefore useful to World Communism and of no value to world democracy. The motive is to impose another gigantic hoax upon the world democracy and upon the world labor. International Communism will continue to speak with the voice of Jacob, but the hand will be and remain, as always, the hand of Esau.

4. Organized labor, as the spearhead of American democracy, will continue to fight on two fronts—against Fascism on the production and battlefronts and against Communism on the home front. However, as long as Soviet Russia remains on our side in the war against Hitler into which she was dragged by the Nazi invasion of Russia, it is to our interest to continue to help Russia militarily to the utmost of our ability. To this end I hope that with the recent splendid victories in Tunisia the allied invasion of Europe will not be long delayed.

AFL Ship Workers Win New Honors For Ideas That Boost Production

Washington, D. C.—For the second consecutive month AFL workers in shipyards carried off the lion's share of honors awarded to American labor for valuable ideas to boost production, War Production Drive Headquarters announced.

In all, 39 workers in plants under contractual relations with the American Federation of Labor were selected as the May associate of the Drivers' Board of Individual Awards for national recognition.

Of the total, seven won certificates for particularly valuable suggestions, the remainder winning Letters of Honorable Mention. The winning suggestions were culled from thousands submitted to Drive Headquarters by labor-Management Committees throughout the nation.

The shipyard workers bore off 23 honors, while workers in ordnance plants carried off eight awards. A railroad worker won a certificate, and two workers in metal plants also won honors.

The total number of workers who have won National Honors, including this month's group, now is 566, the majority of them coming from plants in AFL unions. Philip Murray, president of the Labor League for Human Rights, in which Mr. Woll declared: "It does us no credit to be contained with funds donated by AFL members through the Labor League for Human Rights."

American Ambassador John G. Winant, at the opening ceremonies, read a letter from Matthew Woll, president of the Labor League for Human Rights, in which Mr. Woll declared: "It does us no credit to be contained with funds donated by AFL members through the Labor League for Human Rights."

Price Control Failure Threatens Stabilization Plan, Meany Says

AFL Secretary-Treasurer Declares That Either Wages Must Be Raised Or Food Prices Reduced To 1942 Level

New York City.—The United States faces complete collapse of the entire economic stabilization program, Secretary-Treasurer George Meany of the American Federation of Labor warned in a coast-to-coast radio address.

"We have been brought to this sorry pass," he declared, "by the utter failure of our government to carry out the most essential part of that program, the effective control of the cost of living. The failure of the Office of Price Administration to do the job it was established to do has brought America to the verge of economic chaos."

Mr. Meany said it is high time the economic stabilization policy was "readjusted on a common-sense basis." Either wages must be raised to enable the workers to buy sufficient food, he said, or the prices of food must be reduced to what they were in May, 1942.

"And when the prices have been rolled back to that point they must be held there," he emphasized.

Mr. Meany strongly recommended in his talk, which was heard over the Blue Network, that in place of the ineffective American price control system this country should adopt the plan in operation in Great Britain, under which for two years the cost of living has risen less than one-half of one per cent.

"Compare that with our own country, where the cost of living has admittedly risen more than twice that much in a single month," he said.

Pointing out that American Federation of Labor surveys prove that food prices have skyrocketed to "disgraceful" heights, Mr. Meany said the consumers of the nation are weary of the unfulfilled promises made repeatedly by OPA that the cost of food would not be permitted to get out of hand.

"We cannot wait any longer," he declared. "We must have real action now. We do not want more promises."

At the same time Mr. Meany made it clear that labor's criticism of OPA is constructive and not destructive. He associate itself with the "nefarious" campaign of big business and pro-inflation farm organizations to wipe out OPA.

"The crying need of today is to make price control better, not to make it worse," Mr. Meany said.

The AFL Secretary-Treasurer, in urging the adoption of the British price control system, which involves the use of government subsidies on a wide scale, pointed out that "the British system works; ours does not."

"Some one will raise the objection that it will cost money," Mr. Meany said, "That is true. But the annual cost of operating under the British system of price control would be equivalent to no more than our government's expenditure in five or six days to carry on the war.

"If Britain could find the money for this purpose, are we to believe that America is not equally capable of finding the funds for the same purpose?

"Is it not far better to spend two billion dollars to maintain economic stability than to invite a runaway inflation that would wipe out the value of your dollar to 15 cents and cause chaos at home when we should be getting on with the job of winning the war?

"A runaway inflation would cost the American people fifty times two billion dollars. It would cost us the war."

Mr. Meany denounced the high-powered propaganda campaign conducted by labor's enemies which has tried to sell the country the false idea that wages are so high that exorbitant food prices do not actually represent any hardship.

"Despite careless talk of high wages," he said, "the truth is that the average weekly pay envelope for all manufacturing, including the war industries, holds only $41. This is the official figure released by the United States Government.

"While the average weekly pay envelope contains only $41, the minimum weekly wage necessary for a part a family of four in Baltimore is $48, in Seattle $51, in Chicago $52 and in New York $54. The record shows that in only four industries do the workers receive enough to support this minimum standard of living, while in 100 industries they do not."

Unionist Wins Medal For Bravery In Heroic Action On Guadalcanal

Washington, D. C.—Duncan J. Gillis, a member of the working-fighting Seabees and former member of Iron Workers' Local 25, Detroit, Mich., of International Association of Bridge, Structural and Ornamental Iron Workers (AFL), has been cited for bravery while serving on Guadalcanal and awarded the Silver Star medal—a gift by the President.

Gillis, a shipfitter, was among the first Seabees to land at Guadalcanal last summer and remained there five months. He was cited for his action during that time when he risked his life to extinguish fires and carry to safety seven men who had been trapped under debris after explosion of a shell. Gillis left the safety of his own shelter to aid his comrades.

While engaged in freeing the trapped men, the citation said, another shell exploded near Gillis, wounding the men and Gillis. The prompt and courageous action of Gillis resulted in the saving of the lives of the men in the shelter, navels-in Pacific," it continued.

On another occasion the union member saved comrades when a gasoline-loaded barge was hit by an enemy bomb. Gillis was thrown from the barge but assisted in rescuing his shipmates, the citation concluded.

Millinery Workers To Purchase Destroyer For U. S. Government

New York City—It may seem a long distance from the making of a hat to the firing line in the war—but not where New York Millinery workers are concerned. Members of the United Hatters, Cap and Millinery Workers International Union here have decided to carry the war a little nearer to the front by a drive under way to raise the funds to purchase a destroyer for the government from the workers and their employers.

Under the leadership of Nathaniel Spector, manager of the joint board of the union, a drive is under way to raise $5,000,000 in war bonds with which to purchase the destroyer. Over $2,000,000 of the amount has already been raised. The goal is expected to be reached within another short time.

The movement began at an industry-wide conference, attended by both labor and management. Zone conferences then were called and the drive launched. Friendly rivalry has speeded the sale of bonds and each member of the union has pledged to purchase at least one $100 bond. This is to be in addition to the regular payroll deductions. Employers also are heavy purchasers in the drive.

"Labor has and wants a share in this war," Spector said. "Labor knows that its own survival depends on our winning the war and also the peace. Because democracy itself is at stake, labor grasps every opportunity to serve in winning the war," he concluded.

Merchant Seamen's Club In Glasgow Provided By Members Of AFL Unions

Thanks to the contributions of the members of the American Federation of Labor, merchant seamen of all Allied nations spending their shore leave in Glasgow, Scotland, now can obtain rest, recreation, food, and when necessary, warm clothing, at the newly opened Havelock Wilson Glasgow Merchant Seamen's Club. The club has been established and will be maintained with funds donated by AFL members through the Labor League for Human Rights.

American Ambassador John G. Winant, at the opening ceremonies, read a letter from Matthew Woll, president of the Labor League for Human Rights, in which Mr. Woll declared: "It does us no credit to be contained with funds donated by AFL members through the Labor League for Human Rights."

The club, which was named for Havelock Wilson, founder of the British Seamen's Union, will offer facilities long needed by seamen ashore from their hard and dangerous duties with the Atlantic convoys.

The seamen who bear the brunt of our fight. It is in the spirit of fellowship that we have sent our contribution; we hope you will accept it in that spirit."

Ambassador Winant then spoke in terms of high praise, for American workers, not only in acknowledging their contributions for the Glasgow Merchant Seamen's Club, but also for the support rendered in many other ways to projects designed to relieve the suffering of their British comrades.

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AFL Social Security Amendments To Banish Fear of Want In U. S. Now Before Congress For Action

SOCIAL SECURITY PLAN PICTURED AT A GLANCE

Highlights of the new AFL Social Security Amendments just introduced in Congress are summarized below in streamlined form:

PURPOSE

To provide a national insurance system to protect American workers against loss of substitution due to old age, unemployment, disability and ill health.

WHO WILL GET IT?

All who now are covered by old age and survivors insurance under the Social Security Act.

Also millions of agricultural and domestic workers and self-employed persons not now covered by the Act.

Also the eight million American boys now serving in the war.

Also the dependents of beneficiaries.

Also, if desired, employes of local and State Governments, under voluntary compacts.

NEW PROTECTIONS PROVIDED

Temporary and permanent disability insurance.

Health insurance and hospital care.

Maternity insurance for working women.

Increased benefits under unemployment insurance.

Greater benefits under old age and survivors insurance.

WHAT IT COSTS

Six per cent of the payroll to be taxed against employers.

Six per cent of wages to be paid by employes.

COLLECTION PROCEDURE

One payment will be made for all insurance combined. The employer will send in 12 per cent, representing his and the workers' share of the taxes to the Federal Treasury. Special arrangements are provided for agricultural and domestic workers and self-employed persons.

WHO WILL ADMINISTER?

The whole program will be administered by the Social Security Board, with the exception of the medical aspects of the health insurance plan which will come under the U. S. Public Health Service.

HAWAII WAR BOND DRIVE LOYALLY BACKED BY LABOR

Honolulu, Hawaii.—A fine tribute to the support given by the workers to the War Bond Drive for Hawaii was expressed by Jack O'Brien, Deputy Administrator, Hawaii War Savings Staff, in a letter to John A. Owens, AFL organizer for Hawaii.

Pointing out that the Hawaii war loan campaign was a great success with a total of $18,500,000 raised, Mr. O'Brien said the machine of the drive was, as usual, the ordinary Series E War Bond. "The Territorial Advisory War Bond Committee, of which you are a member," his letter to Mr. Owens said, "deserves credit for its constant support during this campaign. For this we are sincerely grateful."

FATHER AND SON IN NAVY MEET IN NORTH AFRICA

A year ago James D. White, of Cedar Rapids, Iowa, a veteran of World War I, reenlisted in the Navy. His son, James W. White, 17, enlisted in the Navy shortly thereafter. Each was sent to separate duty.

A few weeks ago, the father and son, both engaged on separate ships in getting supplies to our men, were reunited temporarily during the height of the attack on North Africa.

Prior to reenlisting the Navy, the father was secretary of Cedar Rapids Truck Drivers' Union of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (AFL).

ORDNANCE PLANT ELECTION GIVES AFL BIG MAJORITY

Washington, D. C.—The workers employed in the Ordnance Plant at Burlington, Iowa, rolled up big majorities for the American Federation of Labor in an election to choose a collective bargaining representative, F. J. Brown, organizer, reported to AFL President William Green.

In the various units the AFL won by the following vote: Production workers, 3,979 to 805; guards, 408 to 56; electricians, 61 to 2; plumbers, 55 to 6.

Senators Wagner And Murray And Representative Dingell Introduce Federation Measure Far-Reaching In Effect

Washington, D. C.—A bill designed to banish the fear of want in America was introduced in both Houses of Congress by Senator Robert F. Wagner of New York, Senator James E. Murray of Montana and Representative John D. Dingell of Michigan under the title, "Social Security Amendments of 1943."

The measure, which is the most comprehensive attempt yet made to establish post-war security in this country, is the fruit of a 5-year study by experts on the staff of the American Federation of Labor, which will give the proposed program full sponsorship and support.

It provides for a unified national insurance system with these major new features:

1—It broadens coverage to include millions of agricultural and domestic workers, self-employed persons, lay employes of educational and religious bodies; also, by request, hourly employes of the TVA; also, under voluntary compacts, employes of local and State governments, if they so desire.

2—It grants unemployment insurance compensation to all members of the armed forces who may be unable to find jobs in private industry after the war is over and disability benefits for those physically injured in the war.

3—It provides health and hospitalization insurance for the first time.

4—Also for the first time, the bill sets up a system of temporary and permanent disability insurance.

5—It offers maternity insurance to working women.

6—It extends health insurance and other benefits to the dependents of beneficiaries.

7—It sets up a uniform national system of unemployment insurance, to replace the present State-Federal system. Benefits are extended to 26 weeks and, if funds are available, up to 52 weeks in emergencies.

8—Increases the maximum old-age, survivors' and permanent disability benefits from $85 under the present law to $120 a month.

9—Provides for a broad system of national employment offices to assist employers in finding workers for jobs and to help workers find jobs.

10—Levies a 12 per cent tax on payrolls to finance the program, to be shared equally, 6 per cent by the worker and 6 per cent by the employer. The tax on employers merely anticipates the 6 per cent rate which would go into effect in 1949 under existing law. The tax on employes, which would be 2 per cent next year and 3 per cent in 1949, under existing law, is sharply increased to cover the cost of materially greater benefits provided in the new bill.

Another important new feature of the bill is a provision that all social security cash receipts shall be deposited in a Federal Social Insurance Trust Fund managed by a Board of Trustees.

The new health insurance program extends medical and hospital care to all persons covered under old-age and survivors' insurance and for their dependents. The benefits include necessary general and special medical services, hospitalization, nursing and related medical services, supplies and consultation. Technical and professional administration is lodged with the United States Public Health Service. Financial administration is assigned to the Social Security Board, with joint action on matters of joint concern.

The bill assures free choice of any regularly licensed general practitioner, arrangements for use of specialists' services and varied methods of remunerating doctors, with emphasis on maintenance and development of the quality of medical care and provision for grants to aid medical education and research. A National Advisory Medical and Hospital Council is established by the bill to advise the Surgeon General, who heads the U. S. Public Health Service.

Another section of the bill provides for setting up advisory councils of employe, employer and public representatives to make recommendations on the administration of the social security program and to consider the adequacy of benefits in the post-war period.

Hailing the introduction of this bill in Congress is a great forward step toward protecting all American citizens against post-war hazards, AFL President William Green declared:

"The Wagner-Dingell Bill is one of the most important legislative proposals of our times. It fortifies the American way of life against our great internal enemies—poverty, disease and economic dislocation. Coupled with a program for vast expansion of our peace-time industries, it will constitute a guaranteed that the American people will be spared from unnecessary suffering after the war is over.

"The broad principles of this bill are so manifest and so essential as to shame any petty, technical opposition into silence. The American Federation of Labor has put in many years of hard work to get this bill prepared and introduced. It is ready to redouble its efforts to secure its enactment. We appeal to all forward-looking and patriotic American citizens to join with us in urging immediate and favorable action by Congress."

Altmeyer And Watt To Broadcast On New Social Security Amendments

Washington, D. C.—Highlights of the Wagner-Dingell Social Security Amendments will be discussed on the June 6 "Labor For Victory" program of the American Federation of Labor over a nation-wide NBC hookup by Chairman Arthur J. Altmeyer of the Social Security Board and Robert J. Watt, International Representative of the AFL.

This program will be one of the first steps in a sweeping campaign being undertaken by the Federation of Labor to enlist public support of this all-important measure.

Be sure to listen in to this program and to tell your friends to do likewise. It goes on the air at 1:15 P. M., Eastern War Time, over your local NBC station.

WLB Agency Favors Incentive Bonus Plans Giving Lower Unit Labor Costs

New York City.—The Regional War Labor Board here announced it would approve "as a general policy" incentive bonus plans that result in lower unit labor costs because, though such plans show a greater "take home" for the employes, they are "in keeping with the purpose of the wage-stabilizing program."

The statement of policy was contained in an opinion, first of its kind by the board, authorizing inauguration of such a plan for 131 workers in the Shuron Optical Company plant at Geneva, N. Y. The plan was worked out in cooperation with the Optical Workers Union, AFL.

"Such incentive plans as this," said Theodore W. Kheel, board chairman, "are expected to become less unusual with the elimination of WLB approval of wage increases to correct inter-plant inequalities.

"As a general policy we will approve those plans which result in lower unit labor costs, since the resulting increased production is to the desired in these times of manpower scarcity. Such proposed plans must be true incentive plans, however, and not a mask for wage increases."

The board's decision in the Shuron case was based on a study by its economists which found that the proposed plans show a greater increase in production, quality and breakage rates. Such extra pay will be given to groups of 5 to 30 workers, rather than to individuals.

The company itself, which has its machine shop workers at the plant already under such a plan, estimates that the average wage increase will be about 10 per cent, or 6.7 cents per hour. It expects, however, a 17 per cent increase in production, a 20 per cent decrease in breakage and a 30 per cent increase in quality. Company officers also anticipate the plan will result in lower labor turnover and a decrease in absenteeism.